

## Message Text

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PAGE 01 STATE 004761  
ORIGIN EB-07

INFO OCT-01 EA-07 ISO-00 CAB-02 CIAE-00 COME-00 DODE-00  
DOTE-00 INR-07 NSAE-00 CIEP-01 FAA-00 L-03 H-01 OMB-01  
TRSE-00 /030 R

DRAFTED BY EB/OA/AVP:SCKEITER:JO  
APPROVED BY EB/OA:MHSTYLES  
EB/OA/AVP - AJWHITE  
EB/AN - TROESCH  
EA/J - DFSMITH  
CAB/BIA - LBROWNE  
CAB/BE - JKISER  
L/EB - PMICKEY  
-----101936Z 126553 /44  
R 101847Z JAN 77  
FM SECSTATE WASHDC  
TO AMEMBASSY TOKYO

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E.O. 11652: N/A

TAGS: EAIR, JA

SUBJECT: CIVAIR - GOJ NOTE ON TRANSPACIFIC CARGO FARES

REF : TOKYO 18629

1. IMPLICATION OF JAPANESE NOTE CITED REFTTEL IS THAT  
JCAB AUTHORITY IS LIMITED TO APPROVING FARES AND RATES  
ALREADY UNANIMOUSLY AGREED TO BY AIRLINES CONCERNED.  
IS THIS TRUE?

2. PROPOSED RESPONSE BELOW IS COUCHED AS NOTE SINCE  
JAPANESE NOTE REQUESTED FORMAL REPLY. HOWEVER, EMBASSY  
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PAGE 02 STATE 004761

MAY PREFER RESPOND LESS FORMALLY, PERHAPS ORALLY.

3. TEXT OF PROPOSED RESPONSE:

QUOTE: THE EMBASSY REFERS TO THE MINISTRY'S NOTE OF  
DECEMBER 15 REGARDING TRANSPACIFIC CARGO RATES.

THE AERONAUTICAL AUTHORITIES OF THE UNITED STATES  
SUSPEND FARES AND RATES PROPOSED BY INDIVIDUAL AIRLINES  
FOR INTERNATIONAL AIR TRANSPORTATION ONLY IF THEY  
BELIEVE THEY MAY BE UNLAWFUL, AND THEY ORDER THEM  
CANCELLED, FOLLOWING INVESTIGATION, ONLY IF THEY FIND

THEM TO BE UNJUST OR UNREASONABLE, OR UNJUSTLY DISCRIMI-  
NATORY, OR UNDULY PREFERENTIAL, OR UNDULY PREJUDICIAL.  
SIMILARLY, THEY DISAPPROVE AIRLINE AGREEMENTS ON  
INTERNATIONAL FARES AND RATES ONLY IF THEY FIND THEM TO  
BE ADVERSE TO THE PUBLIC INTEREST OR CONTRARY TO THE  
RELEVANT LAW. THE FACT THAT OTHER AIRLINES ARE OFFERING  
A DIFFERENT FARE OR RATE FOR THE SAME SERVICE DOES NOT  
OF ITSELF MAKE A FARE OR RATE UNLAWFUL, SO MORE THAN  
ONE FARE OR RATE CAN BE IN EFFECT AT THE SAME TIME,  
ALTHOUGH MARKET PRESSURES TEND TO MAKE SUCH A SITUATION  
SHORT-LIVED, TO THE BENEFIT OF THE CONSUMER.

IN THE PRESENT SITUATION THE U.S. AUTHORITIES HAVE  
ALREADY APPROVED THE SO-CALLED SAN DIEGO IATA AGREEMENT  
AND ARE NOW CONSIDERING THE RECENT INDEPENDENT FILING  
BY NORTHWEST AIRLINES. WHILE COMPLAINTS HAVE BEEN  
ENTERED AGAINST THE NORTHWEST PROPOSAL, IT IS QUITE  
POSSIBLE THAT THEY WILL BE DISMISSED, AND THE NORTHWEST  
FILING ALLOWED TO COME INTO EFFECT. UNQUOTE.

4. WHILE WE WOULD NOT WANT IT TO BE PUT IN WRITING  
SINCE A FINAL DECISION HAS NOT BEEN TAKEN, EMBASSY MAY  
INFORM JAPANESE ORALLY THAT IT ANTICIPATES THAT CAB  
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PAGE 03 STATE 004761

WILL IN FACT REFUSE TO ACT AGAINST NORTHWEST FILING.  
SINCE THE DIFFERENCES FROM THE SAN DIEGO AGREEMENT ARE  
SMALL, IT IS DIFFICULT TO UNDERSTAND THE JAPANESE  
CONCERN. THE RATE ADVANTAGE PROPOSED FOR CONTAINER  
SHIPMENTS ALREADY EXISTS IN THE STATUS QUO, PREVIOUSLY  
APPROVED BY BOTH GOVERNMENTS, AND IT APPEARS TO REFLECT  
REAL COST DIFFERENCES. BOARD WOULD BE PLEASED TO  
CONSIDER ANY FURTHER ARGUMENTS JAPANESE MAY WISH TO  
MAKE THROUGH THE EMBASSY. VISIT BY JAPANESE TARIFF  
EXPERTS WOULD NOT APPEAR NECESSARY AT THIS STAGE.  
KISSINGER

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NNN



## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01-Jan-1994 12:00:00 am  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** AIR CARGO, AIR ROUTES, DIPLOMATIC NOTES  
**Control Number:** n/a  
**Copy:** SINGLE  
**Sent Date:** 10-Jan-1977 12:00:00 am  
**Decaption Date:** 01-Jan-1960 12:00:00 am  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 22 May 2009  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1977STATE004761  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** SCKEITER:JO  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Expiration:**  
**Film Number:** D770009-0408  
**Format:** TEL  
**From:** STATE  
**Handling Restrictions:** n/a  
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**Legacy Key:** link1977/newtext/t19770166/aaaacfov.tel  
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**Litigation Codes:**  
**Litigation History:**  
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**Message ID:** 6fedb6db-c288-dd11-92da-001cc4696bcc  
**Office:** ORIGIN EB  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
**Previous Channel Indicators:** n/a  
**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
**Reference:** 77 TOKYO 18629  
**Retention:** 0  
**Review Action:** RELEASED, APPROVED  
**Review Content Flags:**  
**Review Date:** 14-Feb-2005 12:00:00 am  
**Review Event:**  
**Review Exemptions:** n/a  
**Review Media Identifier:**  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**SAS ID:** 3631596  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** CIVAIR - GOJ NOTE ON TRANSPACIFIC CARGO FARES  
**TAGS:** EAIR, JA  
**To:** TOKYO  
**Type:** TE  
**vdkgvwkey:** odb://SAS/SAS.dbo.SAS\_Docs/6fedb6db-c288-dd11-92da-001cc4696bcc  
**Review Markings:**  
Margaret P. Grafeld  
Declassified/Released  
US Department of State  
EO Systematic Review  
22 May 2009  
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